

MINUTES

ECONOMIC DEVELOPMENT TASK FORCE

Tuesday August 19, 2008

2:00 PM

Council Chambers

Municipal Building

93 Cottage Street

Bar Harbor, Maine

I. Call to Order 2:03 PM

Members present were Pat Samuel, Chair; Karen Baska, Ted Koffman, James Houghton (Howdy), Barry Teater,, Chris Vincenty

Also present: Anne Krieg, Planning Director, Bill Dohmen of SCORE, Ed Damm

II. Excused Absences – none

III. Minutes were deferred

IV. Special Invited Speaker – William Dohmen from local chapter of SCORE

The Chair introduced Bill Dohmen and reviewed his background in banking, as an English professor, that he was on the Warrant Committee, Alternative Revenue Committee, and Parking Task Force. Mr. Dohmen is the current head of Acadia Senior College.

Dohmen reviewed the following:

SCORE in Ellsworth does see some Bar Harbor clients as well as other parts of Hancock County.

Biggest issue in business is the market. There is a combination of many facets. There are two market segments, Bar Harbor's year round residents and the tourists and then summer population. He noted that 3 to 4 people out of 20 people are year-round in his neighborhood.

Trend is focusing on tourist economy; close up in the fall, open in spring. There is a concern there is no town in some areas in Hancock County; there are very few people in NEH now.

Some notable items of what they hear at SCORE from their clients:

- High rents – property values have not moderated as they have nationally. Second home owner competes for housing. Rent/mortgage is a larger take of income. This appears to be one factor for high turnover rates.
- Bar Harbor is viewed as business unfriendly. There are lots of regulations and “hoops” you need to get through to get going. Parking is the big regulation of concern, which could be creating an asphalt downtown and of wasted land.

- Traffic – it is tough to get through town. This can be a business deterrent.
- Hiring – it is hard to hire for year round if you don't have employees. This seasonality can be a vicious circle. Even summer help is more difficult due to longer season into fall, recent changes to immigration policy and language issues. A dedication to customer service from seasonal employees is often lacking since visitors are transient. Paying a good wage when revenue is transient is also difficult, as is providing healthcare for a transient economy. Since the season is only 4 to 6 months it makes it hard to pay and keep employees.
- Pressures towards tourist economy – these include cruise ship visitation and real estate prices. The town should try to fund our local services from our visitors. There is significant wear and tear on infrastructure beyond what 5,000 people do. The town should consider again a paid parking program. Winter heating costs make it difficult to stay open. The town's demographics shows we will continue to have more retirees which changes neighborhoods. One large developer owning a lot of land is also of concern; monopolies of land are not good for business environments.

Some thoughts for solutions:

Provide incentives – as in directed funds for affordable housing, young start-up companies, and provides tax incentives.

He offered 2 areas to focus upon:

1. Internet business – improving broadband – allow more work at home –
2. Promoting the arts – making it more viable and easier –business incubator – consolidating their marketing and financing and advertising – town provide property, different formulas – a combination of things – state has programs – DECD? Grants?

Dohmen also noted:

- Maine Community Foundation (MCF) received a seed grant from Atlantic Philanthropies – help set up programs to help acclimate boomers into their community.
- Gear goods and services towards retirement folks, given the demographic.
- Seek to encourage basic services as in dry cleaner, seamstress, and shoemaker.
- Encourage smaller grocery stores (gourmet end); dinners to go and delivery too.
- Taking Bob Collier's report on parking and implement it.
- Visitor taxes are part of doing business; people are used to paying it in other areas of the country. Keep pushing the state for this since our town budget is supporting millions of visitors. Florida does get higher taxes from second home owners
- Arts are part of our draw. Artist sold the island through their paintings. It's how we started as a community.
- Fostering a shared website to share internet business.

- What if – Ocean Properties to allow incubator as part of their development.
- Assemble the banks to assist in these efforts.
- T shirts and ice cream are high mark up and quick turnover.

V. Staff Reports

A. Coordination with Cruise Ship Study Task Force

In discussion on the second bus stop on Mt. Desert Street, it was noted that a traffic officer used to be there.

B. Economic Development Plan – no update

C. Signage project – no update

VI. Regular Business

A. Discussion of new developments in downtown

The group reviewed the Ocean Properties communication again. It was questioned who is living above Quarterdeck. We do need rental housing and worker housing as well as year round housing.

B. Downtown Business I and II and Shoreland General Development districting – tabled

C. Response to Quarterly Report to Town Council August 5, 2008

The Chair reviewed her attendance at Council meeting and handed out her notes.

Economic development groups in other towns - staff to research.

The task force could be using the press to get feedback; parking issues first.

VII. Public Comment

VIII. Matters for Next Meeting

IX. Confirm Date/Time/Location for Next Meeting – September 16, 2008

X. Adjournment 3:30

These minutes were prepared by Anne Krieg, Planning Director for review at the October 7, 2008 task force meeting.